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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/865,893	05/25/2001	Gerald Storch	T634.112.101	8027
64732	7590	04/04/2007	EXAMINER	
TARGET BRANDS, INC. 1000 NICOLLET MALL, TPS-3165 MINNEAPOLIS, MN 55403			WEISBERGER, RICHARD C	
			ART UNIT	PAPER NUMBER
			3693	
SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE		
3 MONTHS	04/04/2007	PAPER		

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	09/865,893	STORCH ET AL.	
	<b>Examiner</b>	<b>Art Unit</b>	
	Richard C. Weisberger	3693	

**– The MAILING DATE of this communication appears on the cover sheet with the correspondence address –**

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

1)  Responsive to communication(s) filed on 12/26/2006.

2a)  This action is **FINAL**.                    2b)  This action is non-final.

3)  Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## **Disposition of Claims**

4)  Claim(s) 1-7, 10-24 and 30-32 is/are pending in the application.  
4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.  
5)  Claim(s) \_\_\_\_\_ is/are allowed.  
6)  Claim(s) 1-7, 10-24 and 30-32 is/are rejected.  
7)  Claim(s) \_\_\_\_\_ is/are objected to.  
8)  Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

9)  The specification is objected to by the Examiner.

10)  The drawing(s) filed on \_\_\_\_\_ is/are: a)  accepted or b)  objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)  The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

12)  Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a)  All    b)  Some \* c)  None of:  
1.  Certified copies of the priority documents have been received.  
2.  Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3.  Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

1)  Notice of References Cited (PTO-892)  
2)  Notice of Draftsperson's Patent Drawing Review (PTO-948)  
3)  Information Disclosure Statement(s) (PTO/SB/08)  
    Paper No(s)/Mail Date \_\_\_\_\_

4)  Interview Summary (PTO-413)  
    Paper No(s)/Mail Date. \_\_\_\_\_

5)  Notice of Informal Patent Application

6)  Other: \_\_\_\_\_

**DETAILED ACTION**

In view of the Appeal Brief filed on ~~6/27/06~~<sup>12/01/06</sup>, PROSECUTION IS HEREBY

REOPENED. A new grounds of rejection is set forth below with respect to claims 6 and 32.

To avoid abandonment of the application, appellant must exercise one of the following two options:

(1) file a reply under 37 CFR 1.111 (if this Office action is non-final) or a reply under 37 CFR 1.113 (if this Office action is final); or,

(2) initiate a new appeal by filing a notice of appeal under 37 CFR 41.31 followed by an appeal brief under 37 CFR 41.37. The previously paid notice of appeal fee and appeal brief fee can be applied to the new appeal. If, however, the appeal fees set forth in 37 CFR 41.20 have been increased since they were previously paid, then appellant must pay the difference between the increased fees and the amount previously paid.

A Supervisory Patent Examiner (SPE) has approved of reopening prosecution by signing below:

Alexander Kalinowski



***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

*11/10  
7/06*

***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-7, 10, 13 and 31 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claim limitations of providing" are neither concrete nor tangible. providing steps with no terminating step to make the claims concrete and tangible. As the cited claims include no additional terminating tangible step the claims fail to be meet the statutory test of concrete and tangible. To meet the requirements of 101 the claims must include the affirmative tangible step of , for example, setting up one or more hyperlinks that allow members to access a co-branded Internet. And for example, linking said co-branded sites to effectuate a incentives to access and shop on the Internet shopping site of the retailer through the co-branded Internet site.

***Claim Rejections - 35 USC § 102***

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

Claims 1-5,7,10-15,18-19, 30 and 31 are rejected under 35 U.S.C. 102(a) as being anticipated by Free Internet Access (Web Archive has been added to establish activity before the effective filing date).

The reference teaches of providing members access to a co-branded Internet site including the graphical user interface of the Internet service provider accessed through the Internet service site and one or more links to the Internet shopping site of the retailer; and providing members of the co-branded Internet site with incentives to access and shop on the Internet shopping site of the retailer through the co-branded Internet site; wherein providing members incentives comprises providing the members with a discount on subscription fees for access to the co-branded Internet site based upon a quantity of merchandise purchased from the retailer. (See, page 2, paragraph partnerships, here the discount is the total cost of the Internet Service, the "link" is inherent to the homepage and the co-branding is between Spinway and Kmart.) . As for claims 5 and 7, the examiner takes official notice that K-mart routinely runs sales. Thus a click through to purchase something on sale anticipates the claim 5 and 7 language. The examiner takes official notice as to the routine steps of claims 10-15. Claims 18 and 19 are anticipated by disseminating the information to all of the members. As for claim 31, the examiner interprets the language "based on" as broadly as possible to include the decision of Kmart to sponsor the ISP in return for the expectation that purchases would be made.

Claims 16 and 17 and 20-24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Free Internet Access and Web Archive of Bluelight.com in view of Tobin and Office Depot.

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The relevant teaching of Tobin and Office Depot are of record that establish conventional internet business practices. It would have been obvious for one skilled in the art at the time to have modified the primary reference with K-mart as each of the claim limitations has been shown to be an art recognized practice in the art of internet co-branding. Art recognized variables used for their art recognized effects, in the same way, in the same art are per se *prima facie* obvious. The *prima facie* case may of course be rebutted by the applicant with offerings of secondary considerations.

Claims 1-5, 11-24 and 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tobin in view of "American Interactive Media and Shopping.com Announce Strategic Marketing Agreement" (hereinafter AIME).

With respect to **claim 1**, Tobin teaches providing members access to a co-branded Internet site including graphical user interface of the Internet service provider accessed through the Internet service site and one or more links to the Internet shopping site of the retailer (see for example column 9, lines 5-50 and column 16, lines 62-66). Examiner notes that while the specific embodiment includes the co-branding of Pathfinder and PC Flowers and Gifts, the invention includes embodiments that include an ISP (e.g. AOL) with a retailer.

With further respect to **claim 1**, Tobin teaches providing members of the co-branded Internet site with incentives to access and shop on the Internet shopping site of the retailer through the co-branded Internet site (see for example column 13, lines 25-30)

With respect to **claim 1**, Tobin does not specifically teach wherein providing members incentives comprises providing members with a discount on subscription fees for access to the co-branded Internet site based upon quantity of merchandise purchased from the retailer.

AIME teaches a marketing agreement between American Interactive Media and Shopping.com (co-branded ISP, see for example Abstract lines 1-4) where customers accumulating "Maximizer Dollars" based on a quantity of merchandise purchased from Shopping.com and redeemable for discounted or free Internet access (see Full Text, lines 10-13).

It would have been obvious to one of ordinarily skill in the art at the time of the invention modify the incentives taught by Tobin to include discounted or free Internet service based on quantity of merchandise purchased as taught by AIME. One of ordinary skill in the art would have been motivated to modify the references in order to offer shoppers a tremendous value of Internet access (see Full Text, lines 21-22).

With respect to **claim 2**, Tobin teaches wherein providing the co-branded Internet site includes providing a link to the Internet shopping site on all pages of the Internet service site (see for example column 9, lines 5-50 and Figures 11A-11C).

With respect to **claim 3**, Tobin teaches providing a link to the Internet shopping site with icons comprising one or more trademark logos of the retailer (see for example column 9, lines 5-50 and Figures 11A-11C).

With respect to **claim 4**, Tobin teaches wherein the graphical user interface of the co-branded Internet site includes a tool bar, and the method further comprises locating a link to the Internet shopping site on the tool bar (see for example column 9, lines 5-50 and Figures 11A-11C).

With respect to **claim 5**, Tobin teaches wherein providing members incentives includes providing the members with a discount on merchandise purchased on the Internet shopping site accessed through the co-branded Internet site (see for example column 13, lines 25-30).

With respect to **claims 11 and 12**, Tobin teaches distributing software for the co-branded Internet site on the Internet shopping site and distributing software for the co-branded site on the Internet service site of the Internet service provider (see for example column 5, lines 60-66). Examiner notes that “available through a hypertext link” represents distributing as claimed by Applicant.

With respect to **claim 13**, Tobin teaches the co-branded Internet site with designations of the retailer and the Internet service provider (see for example column 5, lines 60-65). Examiner notes that “customized in graphic and content format to reflect both . . . brand names” represents designations of the retailer and the Internet service provider.

With respect to **claim 14**, Tobin teaches co-branded software for accessing the co-branded Internet site (see for example column 5, lines 1-17). Examiner notes that a co-branded web-site represents co-branded software.

With respect to **claim 15**, Tobin teaches advertising the co-branded Internet site on the Internet service site of the Internet service provider (see for example column 5, lines 60-66). Examiner notes that placing a hypertext link represents “advertising” the site, as it educes customers to visit the site.

With respect to **claim 16**, Tobin teaches providing the co-branded Internet site with a tool bar having a link to a menu list of a member's regularly used links and including an icon on the tool bar that is linked to the Internet shopping site (see for example Figure 11A).

With respect to **claim 17**, Tobin teaches wherein the icon comprises logos of the retailer (see for example figure 21B and column 5, lines 60-66).

With respect to **claim 18**, Tobin teaches providing the co-branded Internet site with retailer channel links to ISP channel page content of interest to one or more demographic groups of members (see for example Figure 11A).

With respect to **claim 19**, Tobin teaches providing the Internet shopping site with retailer channel links to ISP channel page content of interest to one or more demographic groups of members (see for example Figure 11A). Examiner notes that a shopping site with links to ISP channel content represents a co-branded site.

With respect to **claim 20**, Tobin teaches providing the Internet shopping site with retailer channel links to non-ISP channel page content (see for example Figures 2-9). Examiner notes that this merely represents a shopping site with links.

With respect to **claim 22**, Tobin teaches providing the co-branded Internet site with links to departments within stores operated by the retailer (see for example Figure 11C).

With respect to **claim 23**, Tobin teaches wherein the links to the departments at the stores include order requests (see for example Figure 11C).

With respect to **claim 24**, Tobin teaches providing the co-branded Internet site with links to affiliates of the retailer (see for example Figure 11A).

With respect to **claim 31**, Examiner finds claim 31 to be substantially similar to claim 1 and therefore references the analysis for claim 1.

Claim 6 is rejected under 35 U.S.C. 103(a) as being unpatentable over Tobin in view of AIME as applied to claim 1 above, and further in view of "CompUSA Announces Click-and-Brick Shopping Enhancements" by Crowley, Sam (hereinafter Crowley).

With respect to **claim 6**, the combination of Tobin in view of AIME, as described above teaches all the limitations of claim 6 except wherein providing members incentives comprises providing members with access to advertising circular content for the Internet shopping site through the co-branded Internet site before corresponding printer.

Crowley teaches customers sign up to review advertising circulars online at the website (see Full Text Section, lines 18-20). Examiner notes that one of ordinary skill in the art would recognize that this is done in order to drive traffic from the website to the retail store.

It would have been obvious to one of ordinarily skill in the art at the time of the invention to modify the teachings of Tobin to include providing users with electronic versions of

advertising circulars prior to distributing the printed versions as taught by Crowely in order to drive traffic from the website to the retail store.

Examiner notes, with respect to providing the circulars "prior to distributing the printed versions" there are really only three ways in which the teachings of Crowely can provide the circulars. 1) Printed circulars could be before the online versions, 2) the online version can be before the printed version or 3) they could be provided at the same time. Examiner notes these are the only known ways to provide the circulars. Further, it is the Examiner's position that none of these methods of providing the circulars are found to be non-obvious or novel over the other two.

Claim 7 is rejected under 35 U.S.C. 103(a) as being unpatentable over Tobin in view of AIME as applied to claim 1 above, and further in view of Staples.com.

With respect to claim 7, the combination of Tobin in view of AIME, as described above teaches all the limitations of claim 7 except wherein providing members incentives comprises providing members with notice of store-base clearances, promotional events and/or special events through the co-branded Internet site before publishing notices for such special events to non-members.

Staples.com teaches publishing to registered users (members) News and Hot Offers before publishing to non-registered users (non-members) (see for example News and Hot Offers). Examiner notes that News and Hot Product Offers represents Applicant's notice of store-base clearances, promotional events and/or special events. It would have been obvious to one of ordinarily skill in the art at the time of the invention to modify the teachings of Tobin to

provide registered users with News and Hot Offers notices before non-registered users as taught by Staples.com. One of ordinary skill in the art would have been motivated to modify the references in order to entice customers to register.

Claim 10 is rejected under 35 U.S.C. 103(a) as being unpatentable over Tobin in view of AIME as applied to claim 1 above, and further in view of "AOL, Wal-Mart next to team on Net service" by Sandeep Junnakar (hereinafter Junnakar).

With respect to **claim 10**, the combination of Tobin in view of AIME, as described above teaches all the limitations of claim 10 except wherein the retailer operates retail stores and the method further comprises distributing software for the co-branded Internet site at the retail stores.

Junnakar teaches a co-branded website between ISP AOL and retailer Wal-Mart including the distribution of software at the retail establishment. Examiner notes that this is done in order to give those that have never been on the Net a sense of security.

It would have been obvious to one of ordinarily skill in the art at the time of the invention modify the teachings of Tobin to include a retailer such a Wal-mart and to distribute software at the retail location as taught by Junnakar. One of ordinary skill in the art would have been motivated to modify the references in order to give those that have never been on the Net a sense of security.

Claim 21 is rejected under 35 U.S.C. 103(a) as being unpatentable over Tobin in view of AIME as applied to claim 1 above, and further in view of OfficeDepot.com.

With respect to **claim 21**, the combination of Tobin in view of AIME, as described above teaches all the limitations of claim 21 except including a link to an application for a proprietary credit card issued by the retailer.

OfficeDepot.com teaches a including on a website a link to an Application for an Office Depot Credit card. One of ordinary skill in the art would recognize that this is done in order to entice customers to apply for a credit card.

It would have been obvious to one of ordinarily skill in the art at the time of the invention to modify the co-branded website of Tobin to include a link to an application for a proprietary credit card issued by the retailer as taught by OfficeDepot.com. One of ordinary skill in the art would have been motivated to modify the references in order to entice customers to fill out an application for a credit card.

Claim 30 is rejected under 35 U.S.C. 103(a) as being unpatentable over Tobin in view of AIME in further view of Junnakar as applied to claim 10 above, and further in view of "IBM to sell Aptiva direct" by Joe Wilcox (hereinafter Wilcox).

With respect to **claim 30**, the combination of Tobin in view of AIME and in further view of Junnakar, as described above teaches all the limitations of claim 30 except providing to members a link to news articles and a link to a page on the Internet shopping site offering for sale a product featured in the news article.

Examiner offers the Wilcox article as evidence that prior to Applicant's invention it was old and well known to include within news articles links to product pages that sell the products featured in the article. Further Examiner notes that Tobin teaches links to news articles (see for

example Figure 11A, "Latest News"). It would have been obvious to one of ordinarily skill in the art at the time of the invention to modify the news articles of Tobin to include links to product pages to buy the products featured in the articles as taught by Wilcox to be old and well known technology. One of ordinary skill in the art would have been motivated to modify the references in order to market the products reported on.

Claim 32 is rejected under 35 U.S.C. 103(a) as being unpatentable over Tobin in view of AIME as applied to claim 1 above, and further in view of "Keep an eye out avoid being strung along by finding out just how "Free" that PC is" by Yaqub, Reshma Memon (hereinafter Yaqub).

With respect to claim 32, the combination of Tobin in view of AIME, as described above teaches all the limitations of claim 32 except providing members with a discount on merchandise purchased wherein the rate of merchandise discount and period of time of which the discount is available varies on the basis of the length of member's subscription to the Internet service provider.

Examiner relies on Yaqub to teach that at the time of the Applicant's invention it was well known for Internet service providers to give customers discounts on products at affiliated retail stores based on the length of the customer's subscription to the Internet service provider. In this specific case, customers are issued either a \$100 or \$400 rebate based on whether they sign up for a one- or three-year contract with the ISP (see for example Full Text section lines 34-36). Yaqub teaches this is done so that the ISP's can lock in customers without the additional hurdles and costs and these customer can be groomed to do business on-line (see for example Full Text section lines 40-41)

It would have been obvious to one of ordinarily skill in the art at the time of the invention modify the teachings of Tobin to include providing a discount at PC Flowers (affiliated retailer) based on a length of subscription to an ISP as taught to be old and well known by Yaqub. One of ordinary skill in the art would have been motivated to modify the references in order lock in customers without the additional hurdles and costs and these customer can be groomed to do business on-line as taught by Yaqub.

*Response to Arguments*

Applicant's arguments with respect to claims 1-5, 11-24 and 31 have been fully considered but they are not persuasive.

Applicant asserts that the prior art of record fails to show "providing members with a discount on subscription fees for access to the co-branded Internet sit based upon a quantity of merchandise purchased from the retailer through the co-branded Internet site." Applicant specifically challenges the use of the AIME reference, noting that the reference is silent with respect to how "Maximizer Dollars" are accumulated. As noted by Applicant this matter was brought up by Applicant in the after final amendment filed March 7, 2006 and addressed by Examiner in the Advisory Action mailed March 20, 2006. In the advisory action the Examiner submitted an evidentiary piece of prior art ("Shopping.com Announces the Grand Opening of the Internet's First Full Service Retail Destination Hub Site"). This reference was relied upon to

illustrate the inherent features of "Maximizer Dollars." Specifically the reference states, "by issuing maximizer dollars to its customers based on their purchase of products and/or services."

Even in light of this teaching, Applicant still asserts that the prior art does not teach "maximizer dollars" are accumulated based on the purchase of good or services. Applicant makes this argument by stating, "There are any number of possible ways that Maximizer Dollars may be accumulated other than by the purchase of product or services such that the purchase of products and services is not inherent in AIME."

To clarify this position, Examiner would like to note that the secondary reference ("Shopping.com Announces the Grand Opening of the Internet's First Full Service Retail Destination Hub Site") specifically teaches that Maximizer Dollars are accumulated based on the purchase of products and services. As such the reference is relied upon to show an inherent feature of the "Maximizer Dollars." In this case the feature (i.e. accumulating maximizer dollars based on the purchase of goods and/or services) is inherent the AIME reference because 1) the AIME reference is silent to how the Maximizer dollars are accumulated and 2) the maximizer dollars were clearly accumulated based on the purchase of goods and/or services as evidenced by the secondary reference ("Shopping.com Announces the Grand Opening of the Internet's First Full Service Retail Destination Hub Site").

In this case, whether or not the maximizer dollars can be accumulate via other means is not relevant because as stated above the secondary reference clearly shows the feature was necessarily present in AIME reference and therefore inherent to it.

Applicant's arguments with respect to claims 6 have been considered but are moot in view of the new ground(s) of rejection.

With respect to claim 7, Applicant argues that there is no evidence in Staples that the "provided to one class of users before being provided to another. It is Applicant's position that the email "simply allows a user to receive the 'News and Hot Product Offers' in a different manner (i.e. via e-mail, rather than visiting the retailer's web site)." Examiner notes that the characterization of the Staples web site, by the Applicant is incorrect. In fact the only way for a user to get the "News and Hot Product Offers" is to submit an email address, thereby registering or becoming a member. Therefore only member receive the "News and Hot Product Offers" and thus members receive the "News and Hot Product Offers" before non-members.

With respect to claims 10 and 21 Applicant asserts that the prior art fails to amend the deficiencies associated with independent claim 1. Examiner therefore references the response to claim 1.

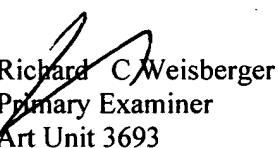
With respect to claim 30, Applicant argues that Wilcox teaches "serial" access to the links. Examiner does not disagree, but notes that the claim merely requires "a link to a news article and a link to a page offering for sale a product featured in the news article." Wilcox has both of these links. The claim language does prevent the links from being in "serial."

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Richard C. Weisberger whose telephone number is 571 272 6753. The examiner can normally be reached on 6:30 AM to 10:30PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Krammer can be reached on 571 272 6785. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

  
Richard C. Weisberger  
Primary Examiner  
Art Unit 3693

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